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**KATE D. LEVIN**  
*Commissioner*

## **Rationalizing and Enhancing Public Support for Arts & Culture**

Mayor Bloomberg and Speaker Quinn have announced a sweeping overhaul of the Department of Cultural Affairs expense budget that

- dramatically expands merit-based funding
- creates new fiscal stability for the 34 City-owned cultural facilities (CIGs)
- rewards excellence, creates access, and ensures accountability across the board

### **CULTURAL DEVELOPMENT FUND**

The Cultural Development Fund, DCA's merit-based, competitive funding stream, has been expanded almost tenfold in the FY08 budget to \$30 million. This money will be allocated through an open process to cultural organizations working in all disciplines across the five boroughs.

The 172 "Line Item" allocations have been eliminated from DCA's budget. These allocations, the majority of which were placed in the City's budget by the Board of Estimate between 1982 and 1989, had been frozen in the City's budget and had not changed to reflect changes in organizations' budgets or in their scope of programming.

All groups will now apply for funding through the CDF. This includes groups that have previously received Line Item funding; groups that have received Member Items through the City Council; and groups that have previously gone through the CDF process. The CDF process will be open to all eligible organizations, whether or not they have received City funding in the past.

CDF applications for FY08 funding will be made available to the public on February 16, 2007 and will be due on March 26, 2007. This new application deadline, which is earlier than in previous years, will allow FY08 applications to be reviewed in time for award notifications to be made at the start of the fiscal year. Organizations will still have the same amount of time to prepare applications as they have had in the past.

- Organizations with annual operating budgets less than \$250,000 will be reviewed by borough-based panels comprised of representatives from the cultural community, as well as representatives of elected officials. Annual funding allocations will be made.
- Organizations with annual operating budgets over \$250,000 will be reviewed by City-wide, discipline-based panels comprised of representatives from the cultural community, as well as representatives of elected officials. Multi-year funding allocations will be made.
- For FY08 only, Line Items will receive either their baseline Line Item allocation or the panels' recommended allocation, whichever is higher. For FY09, all organizations will receive the panels recommended allocations.

DCA staff will be holding briefings on this new process between February 1 and February 8, 2007 in every borough. For complete details, please visit [www.nyc.gov/culture](http://www.nyc.gov/culture).

## CULTURAL INSTITUTION GROUP

For FY08, funding for the CIGs will be baselined at \$119.7 million. This includes:

- Operating support baselined at \$115.3 million, which represents the FY07 CIG baseline plus the \$14.2 million that the Council has historically restored to the CIG budget during the annual budget negotiation
- An annual \$4.4 million New Needs Fund that will be distributed through the DCA, in consultation with City Council. These allocations will be made through the existing CIG New Needs Application process.

This baselined budget of \$119.7 million will allow the CIGs a new level of fiscal stability as they plan for the coming year.

DCA is also introducing “CultureStat,” by which DCA and the CIGs can more effectively foster and monitor good governance and best management practices. CIGs will be evaluated on the following criteria:

Governance	(e.g., regular quorums at board meetings)
Financial management	(e.g., timely audits)
Public access	(e.g., free hours; clear public information)
Staffing	(e.g., strong professional development staff)
Facilities maintenance	(e.g., a written facility maintenance plan)
Reporting	(e.g., timely report submissions to the City)

All CIGs will receive their full operating allocation for FY08, the pilot year for CultureStat. Beginning in FY09, each CIG will receive 90% of its baseline support automatically, and the remaining 10% will be performance based, tied to the CultureStat rating.